

## Message Text

UNCLASSIFIED

PAGE 01 MANILA 00195 070626Z

16

ACTION EB-07

INFO OCT-01 EA-10 ISO-00 CIAE-00 COME-00 INR-07 LAB-04

NSAE-00 RSC-01 SP-02 STR-04 TRSE-00 CIEP-02 FRB-01

OMB-01 L-02 /042 W

----- 076417

R 070420Z JAN 75

FM AMEMBASSY MANILA

TO USDA/FAS/WASHDC

INFO SECSTATE WASHDC 0000

UNCLAS MANILA 0195

FOR WILLIAMS/INTL MARKETING DIRECTOR/COTTON/FMD/FAS

SUBJECT: ALLENBERG/CENTRAL COTTON PROBLEM

REF: FASTO 02

TOFAS 4.

1. WE RECOGNIZED THIS PROBLEM IN NOVEMBER WHEN IT WAS NOTICED THAT STAPLE COTTON CO. AND JAMES LAWRENCE HAD ALL OF CENTRAL TEXTILE'S CCC ALLOCATION REGISTERED BUT HAD NO PAST DUE L/C'S. ON THE OTHER HAND, ALLENBERG AND COOK HAD OUTSTANDING L/C'S WITH CENTRAL TEXTILE MILLS BUT NO OPPORTUNITY TO UTILIZE CCC CREDIT. A VISIT WITH MRS. REYES AT DBP RESULTED IN ASSURANCES THAT THIS WAS INADVERTENT ADMINISTRATIVE OVERSIGHT THAT SHE WOULD CORRECT IMMEDIATELY. WE LEARNED THROUGH TRADE SOURCES IN MID-DECEMBER THAT STAPLE COTTON AND JAMES LAWRENCE WERE NOT GIVING UP THEIR CCC REGISTRATIONS AND ON DEC. 26 THE AGATTACHE RECEIVED A LETTER DATED DEC. 6 FROM JOSE DE OCAMPO, ACTING CHAIRMAN, DBP, WHICH READ IN PART AS FOLLOWS:

QUOTE. WITH REGARD TO YOUR REQUEST FOR CLARIFICATION ON THE CCC REGISTERED SALES FOR ACCOUNT OF CENTRAL TEXTILE MILLS, PLEASE BE ADVISED THAT SAID FIRM PREFERS TO IMPORT COTTON FROM JAMES LAWRENCE AND STAPLE COTTON UNDER THE CCC LINE. HOWEVER, AS STATED IN OUR UNCLASSIFIED

UNCLASSIFIED

PAGE 02 MANILA 00195 070626Z

TELEGRAM TO CENTRAL TEXTILE MILLS (A COPY OF WHICH WAS FURNISHED

YOU) EXISTING CONTRACTS WITH ALLENBERG EXPORTS AND COOK INDUSTRIES SHALL HAVE TO BE GIVEN PRIORITY AND PUSHED THROUGH UNDER THE FREE DOLLAR LINE WHICH SHALL HAVE TO BE UTILIZED AFTER THE CCC LINE SHALL HAVE BEEN FULLY USED UP IN DECEMBER 1974. MOREOVER, SINCE ALLENBERG'S AND COOK'S CONTRACTS ARE NOT YET REGISTERED WITH CCC WE FORESEE SOME PROBLEM IN GETTING THE LAWRENCE CONTRACT CANCELLED AND THE ALLENBERG/COOK CONTRACTS IN TURN REGISTERED BY CCC. UNQUOTE.

2. IN A JANUARY 6 TELEPHONE CONVERSATION MRS. REYES WAS ASKED IF MR. DE OCAMPO'S LETTER MEANT THAT CENTRAL WOULD BE ALLOWED TO IMPORT COTTON FROM STAPLE COTTON AND JAMES LAWRENCE EVEN THOUGH CENTRAL HAS PAST DUE L/C'S WITH OTHER SHIPPERS. SHE SAID THAT IT DID BECAUSE THEY HAD A CONTRACT TOO. SHE WAS REMINDED THAT ALLENBERG AND COOK HAD L/C'S PAST DUE FROM CENTRAL AND THAT DBP HAD PROMISED TO DEAL WITH THE PAST DUE L/C'S FIRST. SHE THEN SAID THAT CENTRAL HAD A CONTRACT DISPUTE WITH ALLENBERG BECAUSE THEY SHIPPED BROKEN SHIPMENTS AFTER L/C'S HAD EXPIRED. AGATTACHE EXPLAINED THAT HE WAS FAMILIAR WITH THIS PROBLEM AND ASKED ABOUT COOK'S OVERDUE L/C'S WITH CENTRAL WHICH ARE NOT IN DISPUTE. THE RESPONSE WAS THAT CENTRAL DID NOT WISH TO OPEN ANY L/C'S WITH ALLENBERG WHILE THEY HAD A CONTRACT DISPUTE AND THAT DBP DID NOT WANT TO GIVE CENTRAL A CCC ALLOCATION WHICH CENTRAL WOULD REFUSE TO USE AND RESULT IN DBP HAVING TO CANCEL THE ALLOCATION AND MAKE IT AVAILABLE TO ANOTHER MILL. SINCE MRS. REYES HAD NOT ADEQUATELY EXPLAINED THE STATUS OF COOK'S PAST DUE L/C'S SHE WAS ASKED AGAIN ABOUT THEM. SHE REPLIED THAT CENTRAL WISHED TO TAKE THE JAMES LAWRENCE AND STAPLE COTTON CONTRACTS FIRST BUT THAT CENTRAL WOULD STILL BE REQUIRED TO GIVE PRIORITY TO COOK'S L/C'S UNDER THE FREE DOLLAR LINE. THE AGATTACHE DID NOT PRESS THE MATTER FURTHER FOR FEAR OF JEOPARDIZING CHANNELS OF COMMUNICATION WITH DBP.

3. HENRY BAGGETT OF ALLENBERG VISITED US ON JANUARY 6 ABOUT THIS AND OTHER PROBLEMS. HE HOPES TO SEE MRS. REYES TODAY (JAN7) AND REVIEW ALL ALLENBERG CONTRACT PROBLEMS WITH HER.

UNCLASSIFIED

NNN

## Message Attributes

**Automatic Decaptioning:** X  
**Capture Date:** 01 JAN 1994  
**Channel Indicators:** n/a  
**Current Classification:** UNCLASSIFIED  
**Concepts:** CREDIT, TRADE COMPLAINTS  
**Control Number:** n/a  
**Copy:** SINGLE  
**Draft Date:** 07 JAN 1975  
**Decaption Date:** 01 JAN 1960  
**Decaption Note:**  
**Disposition Action:** n/a  
**Disposition Approved on Date:**  
**Disposition Authority:** n/a  
**Disposition Case Number:** n/a  
**Disposition Comment:**  
**Disposition Date:** 01 JAN 1960  
**Disposition Event:**  
**Disposition History:** n/a  
**Disposition Reason:**  
**Disposition Remarks:**  
**Document Number:** 1975MANILA00195  
**Document Source:** CORE  
**Document Unique ID:** 00  
**Drafter:** n/a  
**Enclosure:** n/a  
**Executive Order:** N/A  
**Errors:** N/A  
**Film Number:** D750005-0986  
**From:** MANILA  
**Handling Restrictions:** n/a  
**Image Path:**  
**ISecure:** 1  
**Legacy Key:** link1975/newtext/t19750173/aaaacmap.tel  
**Line Count:** 95  
**Locator:** TEXT ON-LINE, ON MICROFILM  
**Office:** ACTION EB  
**Original Classification:** UNCLASSIFIED  
**Original Handling Restrictions:** n/a  
**Original Previous Classification:** n/a  
**Original Previous Handling Restrictions:** n/a  
**Page Count:** 2  
**Previous Channel Indicators:** n/a  
**Previous Classification:** n/a  
**Previous Handling Restrictions:** n/a  
**Reference:** 75 FASTO 02  
**Review Action:** RELEASED, APPROVED  
**Review Authority:** ShawDG  
**Review Comment:** n/a  
**Review Content Flags:**  
**Review Date:** 10 MAR 2003  
**Review Event:**  
**Review Exemptions:** n/a  
**Review History:** RELEASED <10 MAR 2003 by RicharJA>; APPROVED <12 FEB 2004 by ShawDG>  
**Review Markings:**

Margaret P. Grafeld  
Declassified/Released  
US Department of State  
EO Systematic Review  
05 JUL 2006

**Review Media Identifier:**  
**Review Referrals:** n/a  
**Review Release Date:** n/a  
**Review Release Event:** n/a  
**Review Transfer Date:**  
**Review Withdrawn Fields:** n/a  
**Secure:** OPEN  
**Status:** NATIVE  
**Subject:** ALLENBERG/CENTRAL COTTON PROBLEM  
**TAGS:** ETRD, BDIS, RP, CCC-1, STAPLE COTTON CO, CENTRAL TEXTILE, (LAWRENCE, JAMES)  
**To:** AGR  
**Type:** TE  
**Markings:** Margaret P. Grafeld Declassified/Released US Department of State EO Systematic Review 05 JUL 2006